[President.]

be purchased by the Government. I hope that the mills that are in existence would also contemplate an extension of the production of paper. It is an appeal I am making to the people of the State.

The motion was put and carried and the grant was made.

Legislative Business.

THE TRAVANCORE KEROSENE (EXCISE DUTY) BILL.

Mr. Puthupally S. Krishna Pillai: I beg to move Sir, that the Travancore Kerosene Excise Duty Bill as passed by the Assembly be taken into consideration. In making this motion, I may be permitted to say that the purport of the Bill is to authorise Government to levy an Excise Duty on the kerosene manufactured in the State. Though kerosene in its natural state is not available in Travancore it is being manufactured from oils of inferior quality like the diesel oil. The advantage of making kerosene from this oil consists in the fact that the inferior oil pays a smaller duty than kerosene oil. A similar attempt was made in British India and they took steps to impose a duty on kerosene manufactured there. Now it is seen that those who were prevented from making this profit in British India have entered into arrangements with the people in Travancore to start similar ventures. So Government have brought forward this Bill with the object that it may enable them to levy excise duty on such manufactured kerosene so as to prevent under-selling and thus making a profit at the expense of the State.

Mr. T. Krishna Pillai: May I know whether there is at present any such factory in the State?

Mr. Puthupally S. Krishna Pillai: Yes. Not one but a great many.

Mr. T. Krishna Pillai: What will be the approximate number?

Mr. Puthupally S. Krishna Pillai: About 20 or 25.

So I move that the Bill as passed by the Assembly be taken into consideration.

Mr. P. J. Thomas: I second it.

Mr. Kochickal P. Balakrishnan Tampi (*Karunagapalli Kartikappalli and Ambalapuzha* cum *Shertallai*): Sir, the Bill has got a tendency to kill an infant industry of the State. This honourable House seems to be helpless in this matter. I am told also that this measure also was brought forward due to the pressure put upon this Government by the British Government.

LIBRARY ARCHIVES Kerala Legislative Assembly

President: Order, order. I think that I must make the position clear. This Government is under a treaty with the British Government excepting to the extent provided in the Interportal Convention. This, however, comes under Excise duty. But there should be no evasion on the part of Travancore of levying duty on any article which would deprive British India of the excise duty they are entitled. When it was brought to the notice of this Government that certain persons were carrying on the manufacture of kerosene from diesel oil depriving both the British Government and this Government of an income, this Government thought it fit and necessary to put themselves in line with British India.

Sahib Bahadur Haji Hussan Yacoob Sait (*Commerce and Industry, North*): "ട്രാവൻകൂർ കെറോസിൻ എക്സൈസ് ഡ്യൂട്ടി ബിൽ" എന്ന പേരിൽ ഗവണ്മെൻറിൽനിന്നും ഇവിടെ അവതരിപ്പിച്ചിട്ടുള്ള ഈ ബില്ലിനെ വടക്കൻ വാണിജ്യവ്യവസായ പ്രതിനിധി എന്ന നിലയിൽ ഞാൻ സ്വാഗതം ചെയ്യുന്നു. തിരുവിതാംകൂറിൽ ചില സ്ഥലങ്ങളിൽ കുടിൽവ്യവസായരൂപത്തിൽ കൂഡായിലിൽനിന്നുംമറ്റും ഉണ്ടാക്കിവരുന്ന മണ്ണെണ്ണയ്ക്ക് ബ്രിട്ടീഷിൻഡ്യയിൽ ചുമത്തുന്നതുപോലെ ഇവിടെയും ഒരു എക്സൈസ് ഡ്യൂട്ടി ചുമത്തുന്നതു വ്യാപാരലോകത്തോടു ഗവണ്മെൻറു കാണിക്കുന്ന ഒരു നീതി മാത്രമാണ്. വർഷംതോറും അനേകലക്ഷം ഗ്യാലൻ മണ്ണെണ്ണ ഇവിടത്തെ ആവശ്യത്തിലേക്കായി വിദേശത്തുനിന്നും ഇവിടെ ഇറക്കുമതി ചെയ്യുന്നുണ്ടു് എന്നുള്ള വസ്തുതയുമെല്ലാവർക്കും അറിവുള്ളതാണല്ലോ. ഇപ്രകാരം ഇറക്കുമതി ചെയ്യുന്ന മണ്ണെണ്ണയ്ക്കു ഇറക്കുമതിത്തീരുവ കൊടുക്കേണ്ടതാണെന്നുള്ള പരമാർത്ഥവും ഈ അവസരത്തിൽ സ്മരണീയമാണ്. ഇങ്ങനെയുള്ള പരിതസ്ഥിതികളിൽ കൂഡായിലിൽനിന്നുംമറ്റും കൃത്രിമമായി ഉണ്ടാക്കുന്ന മണ്ണെണ്ണയ്ക്ക് ഇവിടെ ഒരു എക്സൈസ് ഡ്യൂട്ടി ചുമത്താതെ, ഇവിടത്തെ ഈ മണ്ണെണ്ണ വ്യവസായം നിർബാധം തുടർന്നുകൊണ്ടുപോകുന്നതിനു അനുവദിക്കുകയെന്നതു് ഏറ്റവും അനാശാസ്യമായിരിക്കുന്നതും മണ്ണെണ്ണ വ്യാപാരികളുടെ ഇടയിൽ അന്യായമായ കാമ്പറീഷൻ ഇടയുണ്ടാക്കുന്നതുമാകുന്നു. ഇതിനുപുറമെ കൊച്ചിൻ ഹാർബർ വഴിയായി ഇവിടെ വന്നുചേരുന്ന മണ്ണെണ്ണയുടെ നികുതിയിനത്തിൽ നമ്മുടെ ഗവണ്മെൻറിനു കിട്ടിവരുന്ന ആദായവീതത്തിൽ വലിയ കുറവു സംഭവിക്കുന്നതിനു് ഇടയുള്ളതുമാകുന്നു. ഇവിടെ ഉണ്ടാക്കുന്ന മണ്ണെണ്ണയ്ക്കും ഇറക്കുമതി ചെയ്യപ്പെടുന്ന മണ്ണെണ്ണയ്ക്കും അതിൻറെ വിലയെ സംബന്ധിച്ചു നോക്കു

LIBRARY ARCHIVES Kerala Legislative Assembly

[Sahib Bahadur Haji Hussan Yacoob Sait.]

കയാണെങ്കിൽ വളരെ വ്യത്യാസം ഉള്ളതായി കാണുന്നുണ്ട്. അതുകയാൽ ഈ രണ്ടുതരം മണ്ണെണ്ണയുടേയും വിലയെ ക്രമീകരിക്കേണ്ടതും അപ്രകാരം വ്യാപാരമത്സരത്തെ ദൂരീകരിക്കേണ്ടതും ഗവണ്മെൻറിന്റെ കടമയായി തീർന്നിരിക്കുന്നു. ഇവിടത്തെ മണ്ണെണ്ണയ്ക്ക് ഒരു ന്യായമായ വിധത്തിൽ ഡംപ്പിംഗ് ചെയ്യുന്നതു മുൻപ്രസ്താവിച്ചിട്ടുള്ള കാരണങ്ങളാൽ നിരോധകരിക്കേണ്ടതാണ്. കൂടാതെ ഇവിടത്തെ മണ്ണെണ്ണ വ്യവസായവും അതിന്റെ ഇപ്പോഴത്തെ വൻതോതിലുള്ള കിടവും മറവും പരിശോധിച്ചു നോക്കുന്നപക്ഷം ഇറക്കുമതി ചെയ്യപ്പെടുന്ന മണ്ണെണ്ണ (വിദേശി മണ്ണെണ്ണ) മുൻകൊല്ലങ്ങളെ അപേക്ഷിച്ചു വളരെ കുറവായിട്ടേ ഇവിടെ കിടവാകയുള്ളുവെന്നു കാണാവുന്നതും ഇതുനിമിത്തം നമ്മുടെ ഗവണ്മെൻറിലേക്കു നികുതി ഇനത്തിൽ ഉണ്ടാകാവുന്ന കുറവിനെ പരിഹരിക്കുന്നതിനുംമറും ആയി ഒരു എക്സൈസ് ഡ്യൂട്ടി ഏർപ്പെടുത്തുന്നതു് ഏറ്റവും അത്യാവശ്യവുമാണെന്നു കാണാവുന്നതുമാണ്. ഈ കാരണങ്ങളാൽ ഞാൻ ഈ ബില്ലിനെ പ്രബലമായി പിൻതാങ്ങുന്നു.

Mr. Kochickal P. Balakrishnan Tampi: Sir, I oppose the motion and I wish to say one or two things. These kerosene industries are infant industries in Travancore and so they should not be taxed now. I want to bring to the notice of this honourable House their helplessness in the matter because I am told that it was elsewhere stated that it was due to the pressure brought upon this Government by the British Indian Government that they have brought forward this Bill.

President: Order, order. I think I must make the matter clear. This Government is under a treaty with the British Indian Government that excepting to the extent provided in the Interportal Convention, there should be no encouragement to evasion of duty within the State which will deprive the British Indian Government of the duties and the excises to which they are entitled. When it was brought to the notice of this Government that after the Excise duty was introduced in British India those people who wanted to evade the payment of duty had transferred their activities and started manufacture here depriving both this Government and the British Indian Government of the duty that they would derive. Then it became necessary for us to put ourselves on a line with British India. Elsewhere it was stated that on account of that undertaking and on account of our rights and obligations it is incumbent upon this Government to help the British Indian Government in seeing that their fiscal activities are not interfered with. That is the position.

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. Kochickal P. Balakrishnan Tampi: I only want to stimulate Government to some activity in regard to those trade agreements which must be of some disadvantage to this State.

Mr. Kottur Kunjukrishna Pillai: Sir, in supporting the principle of this Bill, I must make a few observations. Sir, I think it is absolutely necessary that Government should get a share of the profit which is now being made by these manufacturers at the expense of the consumers by making them use inferior class of Kerosene oil and thus getting an inordinate profit. There can be no two opinions with regard to that. And I think whether the Interportal Convention is revised or not, a duty on manufactures like this is only reasonable irrespective of the question of the provisions of the Interportal Convention or agreements. So I justify the imposition of a duty on this manufacture. But what I wish to point out is that in Clause 3 it is stated that per imperial gallon 8 annas may be charged as duty.

Mr. Puthupally S. Krishna Pillai: "Not exceeding 8 annas."

Mr. Kottur Kunjukrishna Pillai: Yes. Not exceeding 8 annas may be charged. I am not sure Sir, whether the maximum fixed in British India for kerosene is 8 annas. I believe it is 4 annas. I think this 8 annas has been put because originally for petrol the maximum duty was 8 annas. Now for petrol it is more than 8 annas in British India. I think it is 9 annas at present and it can go up to 12 annas. But the maximum for kerosene is 4 annas and in British India the duty charged is at about 3½ annas at present. I am saying this only to make myself clear that no higher duty should be imposed in Travancore, than in British India. This Government should not charge a duty which is higher than in British India. I think we have to keep parity with regard to this matter. My only anxiety is that we must not impose a heavier burden on the manufacturers of Travancore.

President: That is not likely because it so happens that kerosene imported from British India is not subject to import duty.

Mr. Kottur Kunjukrishna Pillai: That is all that I have to say; that our manufactures should not be subject to a heavier burden than that imposed in British India.

Mr. G. Narayana Iyer: Sir, as it stands, I feel some doubt because of the explanation to Section 3. The explanation says "Kerosene is said to be produced within the meaning of this section, when it is issued out of the premises of the manufactory.

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. G. Narayana Iyer.]

Suppose a manufacturer uses it within the premises of the manufactory by erecting a factory or putting up a machine is he subject to the payment of duty. Manufactory is defined thus: "Manufactory" means any place where kerosene is refined or otherwise prepared." This may include the premises also.

President: Manufactory is the spot where it is manufactured.

Mr. G. Narayana Iyer: Manufactory is defined as the place where kerosene is refined or prepared which may include the premises also.

President: Yes. Just as clay refining. That is all.

Mr. G. Narayana Iyer: My doubt is whether such use within the premises comes within category of the excise duty and I wish to prohibit such use also.

President: No.

Mr. K. K. Kuruvilla: Being an infant industry, the imposition of a duty like this will affect the industry. This is what I understood from the statement of the President. We are told that in Travancore there are at present about 20 to 25 manufacturing places. If that is so, I think it is the duty of the Government to encourage such infant industries so that they may stand on their own legs and to impose any tax on these industries only after these industries have got sufficient profits. I do not know whether any representation has been made to the British Indian Government. If not, I hope that a representation will be made to that Government so that this Excise duty may be levied only after this industry has become established.

What I say is in all infant industries even though they may get a small gain, it is only after the industry is established firmly that we can say whether the industry is making a gain or not.

The question that the Bill be taken into consideration was put and carried.

Clauses 1 to 5.

The question that Clauses 1 to 5 do stand part of the Bill was put to vote and carried.

Clauses 1 to 5 were added to the Bill.

PREAMBLE AND TITLE.

The question that the title and Preamble do stand part of the Bill was put to vote and carried.

LIBRARY ARCHIVES Kerala Legislative Assembly